



DRIVERS OF TERRORISM

A monthly publication issued by the Islamic Military Counter-Terrorism Coalition

General Supervisor

Maj. Gen. Mohammed bin Saeed Al-Moghedi

Secretary-General of the Islamic Military Counter Terrorism Coalition

Editor-in-Chief

Ashour Ibrahim Aljuhani

Head of Studies and Research Department

Disclaimer: The views expressed in this study are those of the author and do not necessarily reflect the opinions or views of IMCTC.



ECONOMIC FACTORS AND THEIR IMPACT ON TERRORISM AND WAYS TO ADDRESS THEM

MUHAMMAD ZAKARIA FODOL,

A PH.D. SCHOLAR, DEPARTMENT OF ISLAMIC ECONOMICS AND FINANCE, FACULTY OF POLITI-CAL SCIENCES, SAKARYA UNIVERSITY, TÜRKIYE

This study examines the relationships between economic factors and terrorism, focusing on poverty, unemployment, corruption, and globalization as economic factors that contribute to encouraging extremism and terrorism.

The research aims to achieve three main objectives. First, to conduct an analysis of the relationships between poverty, unemployment, and terrorism, shedding light on the mechanisms through which economic deprivation may contribute to fostering extremism and supporting terrorist activities. Second, to investigate the role of corruption in the economy as a motivator for terrorism and work on identifying effective policies to reduce corrupt practices and dismantle financial networks that support terrorist organizations. Finally, to study the impact of foreign funding and globalization as economic factors influencing the emergence of terrorism, with a focus on formulating actionable recommendations to leverage globalization as a tool for economic development and implementing measures to mitigate its negative impact on the phenomenon of terrorism.

To achieve these goals, the research employed a descriptive methodology to highlight a variety of economic contexts for understanding the interactions between them and terrorism.

The results showed that poverty, unemployment, and corruption, despite their negative impact on economies and societies, are isolated from other factors (social, cultural, and political) and do not lead to the adoption of criminal and terrorist behavior. However, when combined with other factors, they are effective in fueling extremism.

In the end, the research provided recommendations focused on enhancing economic development programs, education, and training in various skills. The research recommendations included the need to develop economic and social policies targeting employment opportunities and reducing poverty rates. It also recommended building international partnerships to exchange information and coordinate efforts to combat the flow of funds to terrorist organizations.

Keywords: Economic Factors, Poverty, Unemployment, Corruption, Foreign Funding, Globalization, Terrorism.



Introduction:

This research aims to examine the economic factors believed to play a significant role in the emergence and development of violence and terrorism, as well as to explore effective ways to address these challenges.

Over time, studies have revealed⁽¹⁾ a strong correlation between certain economic aspects and the phenomenon of terrorism; economic transformations interact with social and cultural conditions, influencing the formation and spread of this phenomenon.

Economic factors constitute an important element in the broader discourse on terrorism ,but they do not operate in isolation .They coexist with a complex matrix of social, political ,and cultural factors ,each interacting with terrorism in different ways .Poverty alone does not breed terrorism ,just as prosperity does not guarantee its absence. In the context of these multifaceted interactions ,the researcher seeks to distinguish the specific roles played by economic factors in promoting terrorist activities and recruiting potential individuals.

Research Problem:

In this research ,it is assumed that poverty ,unemployment ,corruption ,foreign funding ,and globalization ,in their various dimensions ,are economic factors with an impact on criminal behavior and terrorism.

Based on this assumption ,the research aims to answer the following questions:

- 1. How do factors such as poverty and unemployment synergistically contribute to extremism? What are the precise social and economic pathways that guide individuals toward participation in terrorist activities?
- 2. In what ways does corruption within economic systems facilitate the financing and perpetuation of terrorism? What strong strategies can be formulated to effectively mitigate corrupt practices and disable financial channels supporting terrorist organizations?
- 3. How does foreign funding and globalization impact terrorism financing and sustenance? What practical measures can be suggested to harness globalization for economic stability while minimizing its negative impact on the spread of terrorism?

Research Objectives:

This research aims to identify the economic factors influ-

encing terrorism and ways to address them, through the following main objectives:

- Conduct a comprehensive analysis of the relationships between poverty, unemployment, and terrorism, elucidating specific mechanisms through which economic deprivation contributes to the promotion of extremism and the sustainability of extremist activities
- Investigate the role of corruption in the economy as a motivator for terrorism, and identify effective methods and policies to limit corrupt practices and dismantle financial networks supporting terrorist organizations.
- Study the impact of foreign funding and globalization on the economic factors influencing terrorism, and formulate implementable recommendations to leverage globalization as a tool for economic development while implementing measures to mitigate its negative repercussions on terrorism.

Research Methodology:

The research adopts a descriptive methodology to describe and analyze the economic factors influencing the phenomenon of terrorism and to present effective ways to address it. This methodology aims to achieve a deep understanding of the interactions and relationships between economic variables, providing a precise description of the studied phenomenon. Subsequently, it offers a qualitative analysis of its effects on the phenomenon itself.

First: The Concept of Economic Factors and Their Relationship to Extremism

The term economic factors refers to the various conditions and elements within the economy of any country that can impact economic outcomes, such as the production and distribution of goods and services, employment levels, income, economic well-being, and comprehensive development .⁽²⁾These economic factors can be either holistic ,affecting the entire national economy ,or partial, influencing specific industries or economic units ,sometimes in combination.

It is worth noting that economic factors can contribute to the growth and development of conditions conducive to terrorism. However, they typically intersect with other political ,social ,and cultural factors ,requiring effective efforts to combat terrorism often involving a multi-faceted approach that addresses these complex interrelations⁽³⁾. Additionally ,not all individuals facing economic challenges are prone to terrorist recruitment ,as individual motivations and circumstances vary.

Most Affected Countries by Terrorism

Table (1) highlights the top ten countries most affected by terrorism in the Global Terrorism Index ⁽⁴⁾for the year ⁽⁵⁾ ,2023comparing their rankings to those in .2011 The ten most affected countries are the same as those topping the list in ,2021 although the order has changed for six countries .Afghanistan maintains its position as the most terrorism-affected country for the fourth consecutive year ,followed by Burkina Faso ,which rose from fourth to

second place .Somalia retained the third position for the sixth consecutive year.

Mali moved up three positions, and Pakistan dropped four positions, securing the fourth and sixth positions on the index, respectively. Iraq, on the other hand, fell four places to the seventh position. Somalia consistently ranks among the top five most affected countries for the seventh consecutive year.

It is noteworthy that the countries experiencing the most significant deterioration in rankings since 2011 are all located in the Sahel region of Africa: Burkina Faso, Mali, and Niger. On the other hand, Iraq recorded the most significant improvement in the index, and Afghanistan also witnessed a notable improvement of approximately, 4% the most significant positive change since. 2011

#	Country	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Afghanistan	3	3	4	3	3	2	2	2	1	1	1	1
2	Burkina Faso	113	113	111	108	52	30	21	15	7	6	4	2
3	Somalia	5	7	7	7	8	5	3	3	3	3	3	3
4	Mali	41	23	19	21	16	13	10	9	8	7	7	4
5	Syria	20	4	4	5	6	7	7	8	6	5	6	5
6	Pakistan	2	2	2	2	4	4	5	5	5	8	10	6
7	Iraq	1	1	1	1	1	1	1	1	2	2	2	7
8	Nigeria	8	5	5	3	2	2	4	4	4	4	6	8
9	Myanmar	17	21	24	29	39	42	40	42	23	24	9	9
10	Niger	49	57	44	34	20	19	18	19	14	12	8	10

Table 1: List of the Ten Most Terrorism-Affected Countries in the Last Ten Years

Source: Dragonfly Terrorism Tracker Website (2023)

When one scrutinizes the results of this table, they find that most of these countries (Afghanistan, Burkina Faso, Somalia, Mali, Myanmar, and Niger) exhibit manifestations of poverty, high unemployment and corruption rates, low income, poor wealth distribution, and other economic factors that may constitute a link in the spread of extremism and terrorism.

At the same time, the researcher noted that not all of these countries are classified as the poorest in the world; there are countries with relatively good economic conditions, such as Iraq, Syria, Nigeria, and Pakistan, but they have been significantly affected by violence and terrorism. This confirms that economic factors alone are not the cause

of violence, extremism, and terrorism; but when they intersect with other factors, such as social, cultural, and extremist ideologies, they collectively lead to catastrophic outcomes.



Secondly: Economic Factors Impacting Terrorism

This section aims to delve deeper into the economic factors influencing terrorism, including poverty, unemployment, corruption, foreign funding, and the role of globalization in



escalating acts of violence, extremism, and terrorism. The section will commence with economic theories explaining criminal behavior.

1. Economic Theories Explaining Criminal Behavior

Several economic theories have attempted to explain criminal behavior, and to some extent, terrorist behavior. Here are concise summaries of the three most significant theories closely related to the topic of this research:

- 1. Rational Choice Theory: This theory, stemming from classical economic theories, assumes that individuals make decisions based on a rational assessment of potential costs and benefits. (6) In the context of criminal behavior, this theory suggests that individuals weigh expected gains against potential risks associated with engaging in criminal activities. If anticipated gains, such as financial rewards or the achievement of a political goal, outweigh expected harms, individuals are likely to commit the evaluated crimes. Terrorism can be implicitly included in this framework.
- 2. Social Learning Theory: Grounded in behavioral psychology, the Social Learning Theory posits that criminal or terrorist behavior is learned through social interactions. (7) Individuals acquire criminal or deviant inclinations by observing and imitating the behavior of others , such as family members ,peers ,or influential figures .The theory also emphasizes the role of reinforcement and punishment in shaping behavior. Individuals are more inclined to engage in criminal activities if they perceive positive outcomes or enticing rewards associated with such behavior.
- 3. Routine Activity Theory: Diverging from traditional criminal theories, the Routine Activity Theory focuses on three key elements: motivated offenders, suitable targets, and the absence of capable guardians. (8) In this conceptualization ,criminal or terrorist acts are seen as potential when these elements converge in the right time and place .Changes in routine activities ,societal structures ,or technology can alter the opportunities for criminal or terrorist behavior .This theory underscores the importance of situational factors and immediate environment in understanding crime and ,consequently ,terrorism.

It is worth noting that these theories originated to address criminal behavior in general, and the inclusion of terrorist behavior is implicit. While criminal behavior and terrorist behavior share similarities in principle, both involving unlawful acts, they significantly differ in their motivations and societal impact.

Criminal acts typically stem from personal motives, such as financial or revenge motivations, with a focus on individual interests. In contrast, terrorist behavior is driven by ideological or political factors, aiming to instill fear and terror on a wide scale to achieve societal or political goals.

This fundamental distinction aids in identifying challenges associated with counterterrorism efforts. Addressing terrorism requires not only dealing with criminal activities but also tackling the complex ideological foundations that drive such behavior. Recognizing this difference is essential for designing effective preventive measures and response strategies tailored to the specific nature of each threat.

2. The Relationship between Poverty and Terrorist Activities

Some argue for the existence of a link between terrorist acts and poverty, while others deny any connection altogether. The latter group discusses multi-level relationships and indirect causes of poverty. They operate on economic theory principles suggesting that it's easier for terrorist groups to recruit individuals with low incomes or unemployment, as their alternative opportunity cost is relatively low. (9) Individuals who perceive economic limitations imposed by others may harbor grievances that attract them to terrorism ,relying on factors like a sense of injustice ,marginalization ,and exclusion in making decisions to join extremist groups(10).

The economic theory primarily relies on logical and rational arguments to disprove a direct link between poverty and terrorism ,attributing it to an indirect relationship or various economic and social factors ,as follows:

- a. Economic Despair and Employment Weakness: Poverty often leads to feelings of despair and frustration due to unmet basic needs, making individuals more susceptible to recruitment by groups offering financial support.
- b. Lack of Education and Limited Opportunities: Poverty restricts access to education and social services, limiting economic opportunities and exposing individuals to extremist ideologies that exploit this deficiency for recruitment from marginalized communities.
- c. Terrorism as an Economic Choice: Individuals in im-

poverished areas may view joining terrorist organizations as a practical economic option due to financial incentives such as salaries or access to illegal economic resources provided by these groups.

d. Economic Inequality and Perceived Injustice: Economic inequality fuels perceptions of injustice, fostering a sense of grievance among the poor who may seek to address this perceived injustice through means like violence and terrorism.

On the other hand, some researchers argue that while poverty may not be the sole cause of terrorism, there is an undeniable and close relationship between economic deprivation and individuals' susceptibility to extremist ideologies and engagement in terrorist activities. Therefore, this relationship must be substantiated through empirical studies.⁽¹¹⁾

In this context, some experimental study results suggest that poverty is linked to terrorism to varying and marginal extents depending on the study's society and sample. Poverty is identified as just one factor in a complex network of other factors leading to terrorism, such as various social, political, and economic factors. For example, a study by Zaidi Munthar (2010) (12) found a potential connection between extremism and poverty in Pakistan through a survey of 1,147 individuals ,who were a sample of the poor compared to wealthier control groups across all provinces of Pakistan.

The study focused on an analytical discourse of poverty in the Khyber Pakhtunkhwa and Balochistan provinces. However, the study did not provide a specific percentage of the relationship between poverty and terrorist activities, making it inappropriate to generalize its results even to the same country, let alone the rest of the world. Moreover, many individual-level analytical studies have failed to find any direct relationship between poverty and the inclination to participate in terrorism. (13)

There is another perplexing issue regarding the poverty hypothesis at the individual level. Many individual-level analytical studies have been unable to find any direct relationship between poverty and the inclination to participate in terrorism, such as studies by Atran Scott, (14) Krueger and Malečková, (15) Claude Berrebi, (16) and others.

We can conclude that the relationship between poverty and terrorism is complex and multifaceted. Poverty may create conditions that make individuals more susceptible to extremist recruitment. Addressing the issue of terrorism requires a comprehensive approach that takes into account social, political, and economic factors. Reducing poverty, improving access to education and economic opportunities, and addressing the root causes of terrorism are all essential elements in building an effective strategy to combat terrorism.

3. The Concept of Unemployment and Its Relationship to Terrorism

Unemployment is a key economic and social indicator that refers to the condition in which individuals actively seeking employment, yet unable to find suitable jobs. Unemployment serves as a crucial gauge of economic health and performance, with potential far-reaching social and economic consequences that negatively impact the society in which it prevails.⁽¹⁷⁾

Unemployment is typically measured using various labor market indicators, focusing primarily on qualified individuals actively seeking employment within a specified period. Several main measures and methods are commonly used to assess levels of unemployment, including the unemployment rate, labor force participation rate, employment-to-population ratio, underemployment, and youth unemployment rates.

The relationship between unemployment and terrorist activities is complex and multifaceted. While unemployment itself does not directly cause terrorism, it can contribute to conditions where extremist ideologies gain more traction, making individuals more susceptible to recruitment by terrorist organizations.

Numerous studies have indicated a positive relationship between high levels of youth unemployment and an increased risk of terrorist recruitment. (18) Regions with elevated youth unemployment rates often experience higher levels of extremism and terrorist activities.

In this context, a study by Adesoji Adelaja and Justin George ⁽¹⁹⁾sought to explain how variations in youth unemployment rates among countries can account for differences in terrorism measures ,particularly local terrorism. The study utilized data from 126 countries between 1996 and ,2015 considering variables such as the number of terrorist attacks and casualties.

The study found a positive relationship between youth unemployment and local terrorism, conditioned by various developmental factors such as corruption, government ineffectiveness, and the absence of the rule of law. It emphasized that youth unemployment can contribute to fueling local terrorism and internal conflicts but is not a significant indicator for transnational terrorism at all.⁽²⁰⁾

In conclusion, the relationship between poverty and ter-



rorism is intricate and has multiple dimensions. While poverty may create conditions that make individuals more susceptible to extremist recruitment, addressing terrorism requires a comprehensive approach considering social, political, and economic factors. Reducing youth unemployment, improving governance, and addressing the root causes of terrorism are essential components of an effective strategy to counter terrorism.

Despite the limited role of unemployment in fueling terrorist activities, it remains a relatively important factor that should be taken into consideration, especially when combined with other economic and social factors. To understand how unemployment can contribute as a relatively contributing factor to violence and terrorism, the following points should be considered:

- a. Economic Deprivation and Extremism: Unemployment often leads to economic rights deprivation, particularly among youth and vulnerable individuals. The frustration and despair resulting from unemployment can make individuals more receptive to extremist narratives promising empowerment and change, even if they are empty or laden with ideologies of extremism and violence. Unemployment can amplify grievances and increase the appeal of extremist ideologies. Individuals who feel marginalized and frustrated often seek alternative means, even if they are extremist.⁽²¹⁾
- Lack of Employment Opportunities: Unemployed and economically marginalized individuals often gravitate towards even limited employment opportunities, increasing their willingness to join extremist groups that promise belonging and social status.
- c. Lack of Economic Support: Unemployment leads to financial constraints, and terrorist organizations exploit this vulnerability to provide financial support. This may drive some individuals to join these groups as a means to achieve economic stability for themselves and their families.

4. The Concept of Unemployment and Its Relationship to Terrorism

Corruption is a significant factor in extremism and terrorism. Transparency International defines corruption as "the abuse of entrusted power for personal or private gain" . (22) Corruption leads to an erosion of trust , weakens the role of authorities , hinders economic development , exacerbates inequality , poverty , social division , and environmental crises (23) . Corruption manifests in various forms

such as bribery ,embezzlement ,nepotism ,gift-giving ,and sometimes extortion.

The impact of corruption on the economy extends beyond financial losses. It impedes economic efficiency, hinders local and foreign investment, disrupts market dynamics, undermines public services, and deepens social inequality. The Peace and Corruption report has affirmed that both corruption and terrorism have severe consequences on economies, especially in developing countries. Their direct or indirect influence on the growth and escalation of terrorism is evident.

Among these studies is Matthew Simpson's (2014)⁽²⁴⁾ study that addressed the relationship between corruption and political violence ,defining terrorism as one of the determinants of political violence .The study ,conducted on 106 countries between 1990 and ,2010 concluded that corruption and terrorism are identified as two common methods within the structure of opportunities outside the scope of the law .It became clear that wherever corruption exists ,countries face higher rates of terrorist violence. Therefore ,addressing corruption is imperative.

4.1. The Role of Corruption in Promoting Extremism and Terrorism

Corruption plays a pivotal role in facilitating and exacerbating terrorist activities, facilitating recruitment through various mechanisms and interactions. While corruption itself does not directly cause terrorism, it creates a conducive environment for extremism and violence. The following points explain how corruption can contribute to the growth of terrorist activities and facilitate recruitment:

- a. Deterioration of Public Services: Corruption diverts resources from public services, such as education and healthcare, causing frustration and disillusionment. Lack of access to services increases levels of despair, making individuals more susceptible to extremist ideologies.
- b. Loss of Trust in State Institutions: Corruption leads to
 a loss of trust in government institutions, generating
 disillusionment and dissatisfaction among citizens.
 This opens the door to extremist narratives as an alternative solution to current crises.
- c. Economic Deprivation: Corruption hinders economic development and distorts market dynamics, leading to higher unemployment rates and economic inactivity. This situation exposes individuals to extremist recruitment to overcome economic difficulties.
- d. Lack of Accountability and Impunity: A culture of cor-

ruption undermines accountability, allowing those involved to escape punishment, eroding trust in the system or the law. Failure to hold corrupt individuals accountable increases frustration and a tendency towards extremism to achieve justice.

- e. Financing and Financial Support for Extremism: Corruption directs funds towards illicit activities, including terrorism. In a climate of corruption, terrorist groups may find fertile ground to establish channels that help them grow and ensure their continuity.
- f. In conclusion, we can assert that corruption contributes to creating conditions for the emergence of terrorist activities, makes individuals more susceptible to extremist ideologies, and weakens efforts to combat extremism and terrorism. Addressing corruption is therefore a fundamental aspect of counterterrorism strategies.

5. Foreign financing and its role in promoting terrorism

The term "foreign financing" refers to obtaining funds or capital from external sources located in different areas than the local entity borrowing. This financial strategy allows institutions, governments, or individuals to access capital markets beyond their local borders to meet specific financial needs or pursue strategic initiatives. (25) This approach is based on the recognition that accessing international capital markets can provide diversification benefits and mitigate risks in the local market .The decision to choose foreign financing is often influenced by factors such as interest rate differentials , currency considerations ,and the general economic and political environment of both the borrowing and lending countries.

Foreign financing plays a crucial role in the global financial landscape, facilitating the flow of capital across borders and promoting economic development. It serves as a channel to transfer funds from surplus areas to deficit areas, supporting international trade, infrastructure development, and other cross-border initiatives. Foreign financing can take various forms, such as loans, equity, foreign direct investment, foreign aid and grants, and foreign trade financing. It is subject to regulatory frameworks and prevailing conditions in the legal jurisdictions of both the borrower and the lender.

5.1. Types of Foreign Financing

The concept of foreign financing, an integral part of global financial strategies, encompasses five main types: external loans, foreign stocks, foreign direct investment, foreign aid and grants, and foreign trade financing. (26)

Foreign financing is a multifaceted financial strategy that allows entities to benefit from global capital markets, diversify funding sources ,and manage financial risks associated with cross-border operations. Understanding the nuances of foreign financing is crucial for financial decision-makers dealing with the complexities of international finance.

5.2. The Relationship between Foreign Financing and Terrorism

Certain types of foreign financing have been identified as more susceptible to exploitation by terrorist organizations. Pierre Emmanuel (27)highlighted that one prominent way to finance terrorism is through the exploitation of charitable and humanitarian organizations .These institutions ,often operating across borders for the benefit of communities ,may unintentionally become channels for funds directed towards terrorist activities .Some terrorist organizations have been known to exploit the ambiguous nature of certain charitable donations ,using them as cover to transfer funds across borders and finance their operations (28).

Informal financial systems, such as transfer networks, sometimes pose a significant concern in the context of terrorism financing. John Wilson ⁽²⁹⁾emphasized that these systems, operating outside traditional banking structures, can facilitate the rapid movement of funds across borders with minimal supervision. Terrorist organizations exploit this feature to engage in secret financial transactions and seek out fragile systems to operate beneath.

Loans and foreign bonds, especially those issued in jurisdictions with lax regulatory frameworks, represent risks of embezzlement for financing terrorism. ⁽³⁰⁾ The lack of strict financial controls and supervision in some judicial jurisdictions makes it easy for illicit actors to collect and transfer funds without detection.

The relationship between foreign financing and terrorism underscores the importance of implementing effective measures to mitigate the unintended facilitation of terrorism financing through financial systems. Charitable organizations, informal financial networks, and specific types of loans and foreign bonds require enhanced scrutiny to protect against the unintentional facilitation of terrorism financing.

6. Globalization and its Relationship with Extremism and Terrorism



The term globalization first appeared in the early twentieth century ,replacing the previous French term" Mondialization ".Over time ,the term evolved and became a common label describing unprecedented international communication ,especially after the Cold War in the 1990 s. (31)Based on this ,globalization is defined as the process of interaction and integration among individuals ,companies, and governments worldwide (32) .Due to advancements in transportation and communication technology ,global interactions have increased ,leading to the growth of international trade ,exchange of ideas ,beliefs ,and culture.

6.1 Dimensions of Globalization and its Implications on Terrorism

In the year 2000, the International Monetary Fund identified four essential aspects of globalization: trade and transactions, movements of capital and investment, migration and the freedom of people's mobility, and the dissemination of knowledge. (33) Academic literature typically divides globalization into three main areas or dimensions: economic globalization ,cultural globalization ,and political globalization (34) .Cultural globalization encompasses social ,ethical ,and various ideological dimensions .Thus, it becomes evident that globalization processes affect business sectors ,work organization ,economy ,social and cultural resources ,and the natural environment.

Despite the advantages brought by globalization to human life, such as intensified interdependence and mutual reliance across borders leading to unprecedented social, economic, and political transformations, the world simultaneously witnessed a concerning surge in violence and terrorism. (35) This phenomenon transcends national boundaries, (36) posing a challenge to the positive aspects of globalization.

In order to achieve the objectives of this paper, the researcher contented himself with describing the interaction between these two global forces by providing a simplified explanation of the three dimensions of globalization (economic, political, and cultural) and their implications on terrorism, without delving into the details.

a. Economic Dynamics: One aspect of the relationship between globalization and terrorism is highlighted in the economic field. The globalized economy has created a class of winners and losers alike, reinforcing a sense of economic inequality that can be fertile ground for the cultivation of extremist ideologies. On one hand ,globalization has brought economic prosperity to many countries ,increasing interconnectedness and common economic inter-

ests .On the other hand ,economically marginalized populations may perceive globalization as a threat to their interests ,leading to feelings of isolation and a tendency to embrace extremist ideologies as a form of resistance⁽³⁸⁾ .The current global financial system, a prominent feature of globalization ,unintentionally facilitates the funding of terrorist activities ⁽³⁹⁾through illicit financial flows and money laundering ,providing terrorist networks with the necessary financial resources for sustaining and expanding their operations⁽⁴⁰⁾ .

- Political Implications of Globalization: Globalization has ushered in a new era of geopolitical dynamics that terrorist organizations can exploit. (41) The erosion of traditional state borders and the rise of non-governmental actors , such as transnational corporations and international organizations ,challenge governments 'effectiveness in addressing security threats that transcend national borders (42) .The flow of information and communication across borders enables terrorist groups to spread their ideologies globally ,recruit followers ,and coordinate their activities more easily(43). Furthermore, the political consequences of globalization, such as the restructuring of power structures and the emergence of supranational organizations ,can create power vacuums at the local level ,leading to political instability and providing a conducive environment for the flourishing of terrorist activities (44). Some researchers (45) argue that competition for influence and resources in this globalized landscape can lead to state-sponsored terrorism ,proxy conflicts ,complicating the relationship between globalization and terrorism.
- c. Cultural Implications of Globalization: The cultural repercussions of globalization on terrorism cannot be overlooked. The interconnected world has facilitated the dissemination of ideas, ideologies, and cultural identities, often resulting in clashes between global and local cultures. (46) This clash can manifest in forms of violence and extremism, as individuals seek to preserve their cultural identity in the face of perceived cultural imperialism (47). The globalized media land-scape also plays a pivotal role in shaping public perceptions and narratives surrounding terrorism. The sensationalization of terrorist acts by the media can contribute to amplifying fear and spreading extremist ideologies, perpetuating the cycle of violence (48).

In conclusion, the relationship between globalization and

terrorism is complex and multifaceted, encompassing economic, political, and cultural dimensions. Although globalization has undoubtedly exacerbated some conditions conducive to terrorism, it has also provided opportunities for cooperative efforts to address these challenges and mitigate their severity.

Thirdly: Ways to Address Economic Issues Impacting Terrorism

In the quest to find ways to address economic factors influencing terrorism, a multifaceted approach that combines economic, social, and political strategies must be adopted. Terrorism often finds fertile ground in regions characterized by poverty, unemployment, corruption, and inadequate governance. This comprehensive approach should seek to alleviate these economic challenges and build resilient societies that are less susceptible to extremist ideologies. (49) The key measures to address these issues include:

- Enhancing Economic Development Programs: To mitigate the impact of poverty on terrorism, governments and international organizations must implement sustainable economic development programs. These programs, focusing on education, healthcare, and infrastructure, have proven to uplift communities and reduce the appeal of extremist ideologies. (50)
- Encouraging Microfinance Initiatives: Encouraging microfinance initiatives can empower individuals in impoverished areas, providing them with the means to establish small projects and improve their economic conditions. Research indicates that such initiatives significantly contribute to poverty reduction. (51)
- **Skills Training and Education:** Investing in skills training and vocational education programs can equip individuals with the necessary skills for the job market, reducing unemployment rates and, consequently, lowering susceptibility to extremist ideologies. (52)
- **Promoting Transparency and Accountability:** Governments should prioritize anti-corruption measures, including establishing transparent systems and accountability mechanisms to curb corrupt practices. (53)
- Regulating and Strengthening Financial Systems: Governments should regulate and strengthen financial systems to monitor and prevent illicit financial flows, imposing strict controls on money laundering and terrorist

financing.(54)

- International Cooperation: Studies emphasize that collaboration between countries to exchange intelligence and coordinate efforts in tracking and halting the flow of funds to terrorist organizations is essential for global security. This includes implementing international agreements and conventions to strengthen a unified front against corrupt and suspicious practices. (55)
- Enhancing Cultural Exchange Programs and Monitoring: Strengthening and monitoring cultural exchange programs can promote mutual understanding and tolerance, countering the negative aspects of globalization that may contribute to the emergence of extremist ideologies.⁽⁵⁶⁾
- **Regulating Information Flow**: Governments should implement measures to regulate the online space, monitor and control the spread of propaganda and extremist ideologies on the internet and social media. (57)

In conclusion, addressing economic issues impacting terrorism requires a comprehensive and coordinated effort that combines various strategies across economic, social, and political dimensions. While globalization has posed challenges, it has also provided opportunities for collaborative efforts to tackle these challenges and mitigate their impact.

Fourthly: Conclusion, Findings, and Recommendations

This paper shed light on the relationship between economic factors influencing terrorism and ways to address them. The research began with the fundamentals of economic theories, such as rational choice theory, routine activity theory, and social learning theory. The findings revealed important insights into the varied relationships between these factors and the phenomenon of terrorism. It became evident that societies vulnerable to poverty are more susceptible to extremist ideologies. Unemployment also enhances individuals' readiness to attack the system and rebel against it.

The study highlighted that corruption is a significant factor in promoting terrorism, as it contributes to creating an environment that distorts governments and facilitates the emergence of terrorist activities. Additionally, the research emphasized the role of foreign funding in promoting terrorism by contributing to the financing of terrorist activities and expanding their impact.



In the context of globalization, it appears that despite the benefits it has brought in terms of economic and cultural interconnectedness, globalization also presents tangible challenges. It contributes to shaping a context that supports the growth of extremist ideologies.

To address these economic issues impacting terrorism, it is recommended to adopt a multifaceted approach that combines economic and social policies. Sustainable economic development programs should be enhanced to create an environment that mitigates poverty and promotes stability. The importance of supporting entrepreneurship and encouraging microfinance initiatives to economically empower individuals is emphasized. Additionally, focusing on skills training and vocational education enhances individuals' skills and reduces unemployment rates, thus decreasing susceptibility to extremist ideologies.

The importance of promoting transparency and combating corruption is underscored to enhance stability and transition to an environment conducive to development. Regulating and strengthening financial systems to monitor and curb illicit financial flows is crucial. In the context of international cooperation, there is an emphasis on the necessity of exchanging information and coordinating efforts to combat cross-border terrorism financing.

Finally, enhancing cultural exchange programs and monitoring them can contribute to mutual understanding and mitigate the negative effects of globalization. In conclusion, addressing economic issues influencing terrorism requires a comprehensive and collaborative effort that

encompasses various strategies across economic, social, and political dimensions.

Recommendations:

- Enhancing efforts aimed at improving economic conditions in societies vulnerable to the threat of terrorism. Encouraging investment in sustainable development programs targeting poverty and unemployment, thereby contributing to the enhancement of social stability.
- Promoting education and vocational training as a means to empower individuals and strengthen them against extremist ideologies, in order to improve employment opportunities and reduce involvement in terrorist activities.
- Intensifying international cooperation in combating terrorism financing and intelligence information exchange, and establishing effective mechanisms for international collaboration that contribute to reducing the ability of terrorist groups to finance their activities.
- Supporting transparency and combating corruption; as transparent economic systems have been proven to reduce the likelihood of exploiting funds to finance terrorism.
- Combating terrorism as part of a collective international effort based on coordination and collaboration in various economic, social, and security fields.

End Notes

1. 1. بجامعة طنطا، المجلد -2019): العوامل الاقتصادية والاجتماعية وأثرها على معدلات التطرف والارهاب «دراسة ميدانية"، المجلة العلمية بكلية الآداب بجامعة طنطا، المجلد -2020العدد 38، 219.

2. العوامل الاقتصادية وكيفية قياسها، etoro academy، https://shorturl.at/tyMX5 (شوهد في 18 نوفمبر 2023م).

3. بخيت، محمد رمضان (2019): العوامل الاقتصادية والاجتماعية وأثرها على معدلات التطرف والارهاب «دراسة ميدانية" – مصدر سابق.

4. مؤشر الإرهاب العالمي 2023م: https://shorturl.at/mtyW9 (شوهد في 17 نوفمبر 2023م).

5. مؤشر الإرهاب العالمي هو تقرير ينشره سنويًا معهد الاقتصاد والسلام (IEP)، وتم تطويره بواسطة رجل أعمال تكنولوجيا المعلومات ومؤسس معهد الاقتصاد والسلام ستيف كيليليا. ويقدم المؤشر ملخصا شاملا للاتجاهات والأنماط العالمية الرئيسة في الإرهاب منذ عام 2000م. المصدر: ريليف ويب: https://reliefweb.int/report/world/global-terrorism-index-2023 (شوهد في 19 نوفمبر 2023م).

- 6. DB, C. R. (1981). The reasoning criminal: rational choice perspectives on offending. New York: Springer-Verlag.
- 7. Akers, R. L. (1973). Deviant behavior: A social learning approach. Belmont, CA: Wadsworth Publishing Company.
- 8. Cohen, L. E., & Felson, M. (2003). SOCIAL CHANGE AND CRIME RATE TRENDS A routine activity approach. Crime: Critical Concepts in Sociology, 1, 316.
- 9. KRUEGER, A. B. (2007). What Makes a Terrorist: Economics and the Roots of Terrorism (New Edition). Princeton University Press. http://www.jstor.org/stable/j.ctt7t153
- 10. Crenshaw, M. (1981). The causes of terrorism. Comparative politics, 13(4), 379-399.
- 11. Zaidi, M. (2010). A link between poverty & radicalization in Pakistan. Pakistan Institute for Peace Studies, 3(3), 1-19.
- 12. Zaidi, M. (2010). A link between poverty & radicalization in Pakistan. (مصحر سابق)
- 13. Keefer, P., & Loayza, N. (2008). Terrorism, economic development, and political openness. Cambridge University Press.
- 14. Atran, S. (2003). Genesis of suicide terrorism. Science, 299(5612), 1534-1539.
- 15. Krueger, A. B., & Maleckova, J. (2003). Seeking the roots of terrorism. The Chronicle Review, 49(39), 6.
- 16. Berrebi, C. (2009). The Economics of Terrorism and Counterterrorism: What Matters and Is Rational-Choice Theory Helpful?. Social science for counterterrorism: Putting the pieces together, 151-208.
- 17. Richardson, P., Boone, L., Giorno, C., Meacci, M., Rae, D., & Turner, D. (2000). The concept, policy use and measurement of structural unemployment: estimating a time varying NAIRU across 21 OECD countries.
- 18. Neumayer, E., & Plümper, T. (2016). Spatial spill-overs from terrorism on tourism: Western victims in Islamic destination countries. Public Choice, 169(3-4), 195-206.
- $19.\ Adelaja, A., \&\ George, J.\ (2020).\ Is\ youth\ unemployment\ related\ to\ domestic\ terrorism?.\ Perspectives\ on\ terrorism,\ 14(5),\ 41-62.$
- 20. Adelaja, A., & George, J. (2020). مصدر سابق
- 21. Kruglanski, A. W., Bélanger, J. J., Gelfand, M., Gunaratna, R., Hettiarachchi, M., Reinares, F., ... & Sharvit, K. (2013). Terrorism—A (self) love story: Redirecting the significance quest can end violence. American Psychologist, 68(7), 559.
- 22. What is corruption? (2020, August 10). Transparency.org. https://www.transparency.org/en/what-is-corruption

23. المصدر نفسه.

- 24. Simpson, M. (2014). Terrorism and corruption: alternatives for goal attainment within political opportunity structures. International Journal of Sociology, 44(2), 87-104.
- 25. Barber, S. (2011). The New Economy of Terror: The Financing of Islamist Terrorism. Global Security Studies, 2(1), 1-13.
- 26. Solnik, B. (2000). Why not diversify internationally rather than domestically? Financial Analysts Journal, 56(2), 14-18.
- 27. Ly, P. E. (2007). The charitable activities of terrorist organizations. Public Choice, 131(1-2), 177-195.
- المصدر نفسه .28
- 29. Wilson, J. F. (2002, May). Hawala and other informal payments systems: an economic perspective. In Seminar on Current Developments in Monetary and Financial Law. IMF Working Paper, see http://www.kabul-reconstructions.net/images/wilson.pdf.
- 30. Levitt, M. (2003). Stemming the flow of terrorist financing: Practical and conceptual challenges. Fletcher F. World Aff., 27, 59.
- 31. Thompson, G. (2014). Globalization revisited. Routledge.
- 32. Paul James & Manfred B. Steger (2014) A Genealogy of 'Globalization': The Career of a Concept, Globalizations, 11:4, 417-434, DOI: 10.1080/14747731.2014.951186
- 33. Staff, I. M. F. (2000). Globalization: Threat or opportunity. International Monetary Fund, http://www.imf. org/external/np/exr/ib/2000/041200. htm# II.
- 34. Babones, Salvatore (2008). "Studying Globalization: Methodological Issues". In Ritzer, George (ed.). The Blackwell Companion



to Globalization. Malden: John Wiley & Sons. p. 146. ISBN 978-0-470-76642-2.

- 35. Smith, A. (2010). The theory of moral sentiments. Penguin.
- 36. Held, D., McGrew, A., Goldblatt, D., & Perraton, J. (1999). Global transformations: Politics, economics and culture. In Politics at the Edge: The PSA Yearbook 1999 (pp. 14-28). London: Palgrave Macmillan UK.
- 37. Rodrik, D. (1998). Has globalization gone too far?. Challenge, 41(2), 81-94.
- 38. Beck, U. (2014). The brave new world of work. John Wiley & Sons.
- 39. Naim, M. (2010). Illicit: How smugglers, traffickers and copycats are hijacking the global economy. Random House.
- 40. Biersteker, T. J., & Eckert, S. E. (2017). Countering the Financing of Terrorism: An Introduction. Routledge.
- 41. Ohmae, K. (1994). The borderless world: Power and strategy in the interlinked economy. HarperCollins.
- 42. Strange, S. (1996). The retreat of the state: The diffusion of power in the world economy. Cambridge university press.
- 43. Nye Jr, J. S. (2003). The paradox of American power: Why the world's only superpower can't go it alone. Oxford University Press.
- 44. Lutz, J., & Lutz, B. (2019). Global terrorism. Routledge.
- 45. Falk, R. A. (2002). Human rights horizons: the pursuit of justice in a globalizing world. Routledge.
- 46. Appadurai, A. (1996). Modernity at large: Cultural dimensions of globalization (Vol. 1). U of Minnesota Press.
- 47. Huntington, S. P. (2004). The clash of civilizations and the remaking of world order. Braille Jymico Incorporated.
- 48. Chomsky, N., & Herman, E. S. (1989). Political economy of the mass media. David Barsamian/Alternative Radio.
- 49. Jones, S. G., & Libicki, M. C. (2008). How terrorist groups end: Lessons for countering al Qa'ida (Vol. 741). Rand Corporation.
- 50. Collier, P. (2007). Why the poorest countries are failing and what can be done about it. Wider Angle, 2, 1-3.
- 51. Cintina, I., & Love, I. (2019). Re-evaluating microfinance: Evidence from propensity score matching. The World Bank Economic Review, 33(1), 95-115.
- 52. Riddell, W. C., & Song, X. (2011). The impact of education on unemployment incidence and re-employment success: Evidence from the US labour market. Labour Economics, 18(4), 453-463.
- 53. فرقة العمل المعنية بالإجراءات المالية (2022)، تقرير مجموعة العمل المالي: تمويل تنظيم الدولة الإسلامية الإرهابي في العراق والشام: //:https:/ www.fatf-gafi.org/en/publications/Methodsandtrends/Financing-of-terrorist-organisation-isil.html
- 54. فرقة العمل المعنية بالإجراءات المالية (2022)، تقرير مجموعة العمل المالي: تمويل تنظيم الحولة الإسلامية الإرهابي في العراق والشام: //.https:/ www.fatf-gafi.org/en/publications/Methodsandtrends/Financing-of-terrorist-organisation-isil.html
- 55. Rose-Ackerman, S., & Palifka, B. J. (2016). Corruption and government: Causes, consequences, and reform. Cambridge university press.
- 56. Inglehart, R. F. (2020). Cultural evolution: People's motivations are changing, and reshaping the world.

57. منع التطرف العنيف من خلال التعليم: دليل لواضعي السياسات، الأمم المتحدة (2020): https://en.unesco.org/sites/default/files/policymakr.pdf